

# Centers of Research Excellence (CORE) Guidelines

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## General Guidelines

- For no fewer than six years and no more than ten years following center designation, the commission shall monitor the center's activities in order to determine whether the center is having the desired economic impact.
- As a condition for receipt of funds under this chapter, a center shall agree to provide the commission with the information necessary to monitor the postaward activities of the center. Instead of requiring annual audits as specified in statute, the Commission may require that the center be audited on all funds distributed to the center after the second full fiscal year of the postaward monitoring and after all funds distributed to the center have been expended. In addition, the center shall contract with an independent accountant for an agreed-upon procedures engagement on an annual basis. A center may use funds distributed to the center under this chapter to pay for audits required under this subsection or for an agreed-upon procedures engagement. At a minimum, an agreed-upon procedures engagement under this subsection must include:
  - Verification of the accuracy of jobs data regarding jobs claimed created by the center, distinguishing between the creation of private sector jobs and jobs within the institution of higher education;
  - Verification of compliance with the centers of excellence program matching fund requirements;
  - Verification awarded center funds were used for authorized uses;
  - Verification the center complied with the center's application timeline and any authorized revisions;
  - Verification the center complied with the center's scope of activities as provided under the center's application and any authorized revisions;
  - Review of a sample of center expenditures to verify the expenses were approved, supported with documentation, and made in accordance with the scope identified in the center's application;
  - Verification of a sample of labor charged to the center; and
  - Comparison of the center's application budget to the center's actual expenditures, including documentation explaining any material differences.
- A center may not provide subgrants of any kind, direct or indirect, of the funds or assets of the center to the private sector partners.
- Each award recipient must abide by all applicable university policies.
- High value employment opportunities are defined as those that pay above the state average wage and are not paid for with state general funds.
- The Centers of Excellence Commission will make award determinations.

## Centers of Research Excellence (CORE) Program Guidelines

- Applicant/recipient must be a research university or a non-profit foundation of a research university which is working in partnership with the private sector. The president of the research university must sign each application to indicate their approval and recommendation of the project and to signify that the funding request is consistent with the mission and development plans of the institution.
- Each campus may submit up to three applications per round of funding.
- The institution or foundation must be working in partnership with the private sector and create high value private sector employment opportunities in the state.
- A center shall use center grant funds to enhance capacity and leverage state, federal, and private sources of funding. A center awarded center funds under this chapter may not use the funds for infrastructure, to supplant funding for current operations or academic instructions, or to pay indirect costs. Infrastructure means new building construction or major building renovation and does not include a purchase of equipment or remodel of an existing building.
- Each applicant must provide a detailed budget and budget narrative for the project. The budget may include a portion of the funds used for compliance costs to fulfill audit requirements including annual agreed upon procedures engagements and two fiscal audits. Funds will be disbursed to recipients based upon the budget approved by the COE Commission.
- Two dollars of matching funds are required for each dollar of state funds. These matching funds cannot be state funds and must be either funds from private sector partners or funds facilitated through the collaboration of the private sector partners with other funding entities. Of the two dollars of matching funds, at least one dollar must be cash, of which at least fifty cents must be from the private sector. The first disbursement of CORE funds will be based upon the availability of match and subsequent disbursements will be based upon matching funds having been secured for previous disbursements.
- In making funding and designation determinations, the commission shall give major consideration to the portion of the matching funds provided in cash by the private sector.
- The commission shall consider whether the center will:
  - Use university research to promote private sector job growth and expansion of knowledge-based industries or use university research to promote the development of new products, high-tech companies, or skilled jobs in this state;
  - Create high-value private sector employment opportunities in this state;
  - Provide for public-private sector involvement and partnerships;
  - Leverage other funding, including cash from the private sector;
  - Promote the commercialization of new products and services in industry clusters; and
    - "Industry cluster" means one of the following industries:
      - Advanced manufacturing;
      - Energy;
      - Information and technology;
      - Value-added agriculture; or
      - An industry, including the aerospace industry and life science industry, specifically identified by the Department of Commerce as an industry that will contribute to the gross state product.
  - Establish and meet a deadline for acquiring and expending all public and private funds specified in the application.
  - Have community support.

- Involve collaboration among institutions and among colleges within an institution.
- A center applicant will be requested to provide information on the prospects of the center becoming financially self-sustaining.

## Base Realignment Guidelines

- Applicant/recipient must be a research university or a non-profit foundation of a research university. The president of the research university must sign each application to indicate their approval and recommendation of the project and to signify that the funding request is consistent with the mission and development plans of the institution.
- Each campus may submit up to three applications per round of funding.
- In order to be considered by the COE Commission, the application must include a letter of support from the Grand Forks Base Realignment Impact Committee (BRIC).
- A center awarded center funds under this chapter may not use the funds to supplant funding for current operations or academic instructions or to pay indirect costs.
- Matching funds are not required; however leverage funds will be a consideration in evaluating proposals.
- Purpose of grants includes:
  - To enhance economic development and employment opportunities associated with the Grand Forks Air Force Base resulting from action by the federal defense 2005 Base Realignment and Closure (BRAC) Commission
  - Infrastructure and economic development projects or programs to accommodate growth in proximity to or at the Grand Forks Air Force Base
- In evaluating a proposal that includes providing assistance for a specific business, the commission will give major consideration to the strength of the business with a preference towards businesses that are not in the early stages of development.
- Provide detailed information using the following evaluation criteria:
  - Supports and/or enhances the mission of the Grand Forks Air Force Base
  - Leverages additional money or services
  - Creates private sector jobs
  - Provides private sector partners
  - Viability of project
  - Appropriate business plan including plan for sustainability after award funds are expended
- A detailed budget and budget narrative for the project or program is required. Also required is an appropriate business plan. The budget may include a portion of the funds used for compliance costs to fulfill audit requirements including annual agreed upon procedures engagements and two fiscal audits. Funds will be disbursed to recipients based upon the budget approved by the COE Commission.
- The commission may use any funds that are not committed by January 1, 2013, for the centers of research excellence program. These remaining available funds may be awarded to UND or an associated foundation.

## **Limited Deployment Cooperative Airspace Project (LD-CAP) Guidelines**

- The applicant/recipient must be the University of North Dakota (up to \$2,700,000) and North Dakota State University (up to \$1,300,000). The president of the research university must sign each application to indicate their approval and recommendation of the project and to signify that the funding request is consistent with the mission and development plans of the institution.
- Purpose of the grant is to leverage private and federal funding to advance state opportunities associated with a limited deployment-cooperative airspace project in the state.
- Direct job creation, although welcomed, is not necessarily a required result of this program.
- A university awarded funds under this program may not use the funds to supplant funding for current operations or academic instructions or to pay indirect costs.
- Although there is not a specific matching fund requirement, a stated purpose of these grants is to leverage other funding and leverage funds will be a consideration in awarding grants.
- Each applicant must provide a detailed budget and budget narrative for the project. The budget may include a portion of the funds used for compliance costs to fulfill audit requirements including a fiscal audit. Funds will be disbursed to recipients in stages based upon the budget approved by the COE Commission.
- As a condition for receipt of funds under this program, an applicant shall agree to provide the commission with the information necessary to monitor the activities and outcomes resulting from the award.
- The Commission may use any funds which are not committed by July 1, 2012, for the Centers of Research Excellence Program. Of the remaining available funds, the Commission may not award more than one-half to one Research University.